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WABASH PITTSBURGH TERMINAL RAILWAY COMPANY.

Plan And Agreement

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REORGANIZATION
OF
THE WABASH PITTSBURGH TERMINAL
RAILWAY COMPANY.

Plan and Agreement,

Dated June 25, 1915.

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ASA S. WING,
Reorganization Committee.

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REORGANIZATION
OF
THE WABASH PITTSBURGH TERMINAL RAILWAY
COMPANY.

To the holders of

First Mortgage Four Per Cent. Fifty-Year Gold Bonds ;
Certificates of Deposit of Central Trust Company of New York and
of Old Colony Trust Company (of Boston) for First Mortgage
Four Per Cent. Fifty-Year Gold Bonds ;
Certificates of Deposit of Columbia Trust Company of New York for
First Mortgage Four Per Cent. Fifty-Year Gold Bonds and for
Certificates of Deposit of Central Trust Company of New York
and of Old Colony Trust Company (of Boston) for said Bonds ;
Second Mortgage Four Per Cent. Fifty Year Gold Bonds
of

The Wabash Pittsburgh Terminal Railway Company :

The properties of The Wabash Pittsburgh Terminal Railway Company (herein-
after termed the Terminal Company) were placed in the hands of Receivers in May
and June, 1908.

At the time of the receivership of the Terminal Company it owned (and still
owns) a majority of the outstanding capital stock of The Wheeling and Lake Erie
Railroad Company (hereinafter termed the Wheeling Company) subject to the pledge
thereof under the First Mortgage of the Terminal Company. The Wheeling Company
went into the hands of a Receiver during the month of June, 1908, and defaulted in
the payment of interest due August 1, 1908, on its Three Year Five Per Cent. Gold
Notes secured by \$12,000,000 of its General Mortgage Bonds, being all of said issue
of bonds outstanding.

The Terminal Company also owned (and still owns) all of the outstanding Con-
solidated Mortgage Bonds and capital stock of Pittsburgh Terminal Railroad and Coal
Company (hereinafter termed the Coal Company) subject to the pledge thereof to se-
cure notes given The Wabash Railroad Company (hereinafter termed the Wabash Com-

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pany) in the principal amount of \$5,000,000. The equity in said stock was again pledged by the Terminal Company as part of the security for a note given the Wabash Company in the principal sum of \$268,000. The aforesaid notes in the aggregate principal amount of \$5,000,000 and the collateral pledged thereunder were in turn pledged by the Wabash Company to secure an issue of its notes known as Four and One-half Per Cent. Gold Notes. Default was made in the payment of interest due May 1, 1913, on said Four and One-half Per Cent. Gold Notes of the Wabash Company, the Trust Indenture securing said notes of the Wabash Company was foreclosed, and the said notes of the Terminal Company secured by the said bonds and stock of the Coal Company and other securities were sold to and purchased by or on behalf of a Committee representing holders of said issue of notes of the Wabash Company.

The Coal Company owned (and still owns) upwards of 98 per cent. of the outstanding capital stock of West Side Belt Railroad Company (hereinafter termed the West Side Belt) subject to the pledge thereof under the first mortgage of the Coal Company. The West Side Belt was placed in the hands of Receivers during the month of June, 1908. The coal properties of the Coal Company at the time of the Terminal Company receivership were leased to the Pittsburgh Coal Company, which lease was cancelled and terminated on or about April 20, 1909.

Prior to the receivership of the Terminal Company, the Terminal Company, the Wheeling Company and the Wabash Company were complying with the terms of a so-called Traffic and Trackage Contract and supplement thereto, whereby the Wabash and the Wheeling Companies were each paying to the Terminal Company 25 per cent. of the gross earnings of each of said companies on certain business interchanged with the Terminal Company. By direction of the Court appointing the Receiver of the Wheeling Company, the Receiver of said Company ceased carrying on business under the Traffic and Trackage Contract and supplement thereto, and the Wabash Company did likewise. In the Wheeling Company foreclosure suit said Traffic and Trackage Contract was determined to be void as to the Wheeling Company. The Wabash Company went into the hands of Receivers during the month of January, 1912.

At the time of their receiverships the physical properties of the Terminal Company and of the West Side Belt were in poor condition due to incompleting permanent construction and insufficient maintenance. Considerable capital expenditures had to be made on the properties in order to enable the same to be safely operated. The money necessary for these purposes was provided largely through the issuance

of Receivers' certificates. The Reorganization Committee is advised by the Receiver that the expenditures for these purposes made at the outset of the receivership and provided through the sale of Receivers' certificates amounted on the properties of the Terminal Company approximately to \$615,000, and on the properties of the West Side Belt approximately to \$618,000. The properties suffered also because of lack of freight car equipment and of power. Prior to the receiverships, the Wheeling Company had leased certain equipment from the Wabash Company and used the same largely for the business of the Terminal Company. Soon after the receivership of the Wheeling Company this equipment was returned by its Receiver to the Wabash Company, and the Terminal Company lost the benefit thereof. Certain other equipment had been leased prior to the receiverships by the Wabash Company to the West Side Belt under a contract which, in the judgment of your Committee, was unfair to the West Side Belt; at the time of the receiverships the equipment itself was not modern nor of a capacity to be best suited to the needs of the West Side Belt. The Receiver of the West Side Belt continued to use this equipment because of the necessities of business until 1914 when the same was returned to the Receivers of the Wabash Company. By the use of Receivers' certificates the Terminal Company in the fall of 1908 purchased 12 new heavy consolidation freight locomotives, in the spring of 1909 purchased 500 new steel hopper coal cars of 50 tons capacity each, and late in 1910 purchased 1,000 new steel hopper coal cars of 50 tons capacity each. The cost of these locomotives and cars (approximately \$1,600,000) was paid in full through the sale of Receivers' certificates, and they have been since used in the business of the Terminal Company. The West Side Belt in 1910 purchased 2 heavy Mallet type freight locomotives. Their cost (approximately \$54,000) was paid in full through the sale of Receivers' certificates, and said engines have been since used in the business of the West Side Belt.

After the receivership of the Terminal Company two committees were organized to represent the interests of the holders of the First Mortgage Four Per Cent. Fifty Year Gold Bonds of the Terminal Company (hereinafter termed the First Mortgage Bonds), under agreements dated respectively June 3, 1908, and July 25, 1910. The Committees, for a time separately and afterward jointly, have been engaged in negotiating with other interests with a view of adjusting controversies and of formulating a plan for the reorganization of the Terminal Company. These negotiations have extended over a long period of time. The inherent difficulties in the situation, owing to the divergent interests and views of many parties, as well as the business depres-

sion consequent upon, first, the Balkan war, and afterward the European war, have delayed the Committees in promulgating a reorganization plan. On one occasion a plan prepared by the Committees was about ready to be promulgated when the receivership of the Wabash Company necessitated its abandonment, and on another occasion the breaking out of the Balkan war terminated financial negotiations that were then proceeding preliminary to the promulgation of another plan that had been prepared by the Committees. The Committees have prepared other plans which have reached their final stages, but one cause or another has necessitated their abandonment. The two Committees have now united in the preparation of the plan and agreement of reorganization hereinafter set forth. Said plan and agreement are herein together referred to as the Plan, and the term "Plan" whenever herein or elsewhere used, is intended to mean both said plan and agreement.

The Plan assures to the New Company, hereinafter provided for, complete independence, and gives to the holders of the bonds who shall comply with the Plan and obtain the stock of the New Company, the absolute and entire control of the property, subject only to the selection of the first board of directors by the Reorganization Committee.

The Reorganization Committee believes that it is of paramount importance that all stock of the Coal Company and all of its outstanding Consolidated Mortgage Bonds should be vested in the New Company. Accordingly the Plan provides cash, in the judgment of the Reorganization Committee sufficient under existing arrangements, to acquire said stock and bonds of the Coal Company free and clear of any charge thereon and the Reorganization Committee will not declare the Plan, unless modified and opportunity for withdrawal given as in the Plan provided, operative until a written agreement has been entered into for the sale of said bonds and stock (or the notes under which the same are pledged accompanied by said bonds and stock as security therefor) to the Reorganization Committee or its nominee.

The Reorganization Committee believes that the fixed charges upon the property should be kept as low as practicable. Accordingly the Plan provides that the only new securities to be issued in the reorganization shall be stock.

In the judgment of the Reorganization Committee financial considerations prohibit the Terminal Company from retaining its stock interest in the Wheeling Company and paying out of its assets any assessment imposed upon the Wheeling Company stock in the reorganization of that company. Since however the stock of

the Wheeling Company pledged under the First Mortgage of the Terminal Company constitutes a majority of such outstanding stock, it is deemed advisable to give to holders of certificates of deposit representing First Mortgage Bonds issued under or subject to the Plan making the payment hereinafter provided to be made on or before September 1, 1915, the opportunity of determining whether they wish to keep such stock together, thus preserving its voting control. Accordingly the Plan makes provision for the distribution upon the completion of the reorganization either of stock certificates of the Wheeling Company or of trust certificates representative of such stock, whichever may be determined.

The Plan includes as part of the expenses of the reorganization the expenses, obligations, liabilities and compensation of both Committees representing the First Mortgage Bonds. All members of both such Committees have waived all compensation for their services rendered under the said respective agreements of June 3, 1908, as amended, and of July 25, 1910, excepting only the sum of \$10,000 apportioned between the estates of two deceased members of the said Committee constituted by the agreement of June 3, 1908, as amended.

The Plan has been approved by the Committee representing the Second Mortgage Four Per Cent. 50 Year Gold Bonds of the Terminal Company (hereinafter termed the Second Mortgage Bonds) and makes provision for the holders of the Second Mortgage Bonds by permitting them, upon compliance with the conditions imposed by the Plan, to purchase the new preferred and common stock offered to but not taken by the holders of First Mortgage Bonds. As a prerequisite to participation in the benefits of the Plan holders of Second Mortgage Bonds are required to deposit the same under the Plan, and arrangements have been made with the Second Mortgage Bondholders Committee to permit the withdrawal of bonds deposited with it upon payment to or for account of the Second Mortgage Bondholders Committee for its expenses of one-half of one per cent. of the principal amount of the bonds withdrawn.

The Plan is not underwritten and there is not included in the cash requirements any provision for the compensation of an underwriting syndicate. Upon the expiration of the period within which must be paid the first instalment of the amounts payable in respect of bonds subject to the Plan, the Reorganization Committee will be able to ascertain with reasonable accuracy whether the holders of certificates of deposit issued under or subject to the Plan will provide the cash requirements of the Plan, and whether and to what extent any deficit in the cash requirements must be pro-

vided for. Accordingly the Plan makes provision for the modification thereof or the substitution of a new plan or the abandonment of the Plan at any time before the Plan shall have been declared operative and also makes provision upon any such modification, substitution or abandonment for the withdrawal, during the period and upon the conditions stated in the Plan, of the deposited bonds and the return of the amounts previously paid under the Plan in respect of the bonds so withdrawn. The Plan having been declared operative may thereafter be modified or abandoned by the Reorganization Committee if it determines it necessary or expedient as provided in the agreement accompanying the Plan.

The Reorganization Committee has been assured by some of the largest depositors of bonds of their intention to pay their share of the cash requirements of the Plan, and believes it in the interests of all depositors and bondholders so to do. In this connection the Committee directs particular attention to the letter of the Receiver of the Terminal Company and of the West Side Belt attached to the Plan.

The Plan has been filed with Central Trust Company of New York, the Depositary thereunder, and copies of the Plan may be obtained by any interested securityholder from said Depositary or from the secretary of the Reorganization Committee. Copies of the Plan have also been filed with Columbia Trust Company of New York and Old Colony Trust Company (of Boston).

The statements contained in the Plan have been compiled from sources believed to be entirely reliable, but they are necessarily approximate only, and are in some instances variable from day to day. They are not in any case to be construed as representations, and are subject to correction.

Dated New York, June 25, 1915.

J. N. WALLACE,
GORDON ABBOTT,
HARRY BRONNER,
JAS. C. CHAPLIN,
HALEY FISKE,
CLARENCE L. HARPER,
WM. R. NICHOLSON,
RICHARD SUTRO,
MEIGS H. WHAPLES,
ASA S. WING,
Reorganization Committee,

JUNE 25, 1915.

To Wabash Pittsburgh Terminal Reorganization Committee :

DEAR SIRS :

I have examined the attached Plan of Reorganization. I believe the figures and the statements therein contained are accurate and correct and that the cash designed to be furnished under the Plan is sufficient for the purposes thereof. I approve of the Plan and recommend its acceptance by the holders of the First and Second Mortgage Bonds of the Terminal Company.

The Plan is in effect the payment of indebtedness prior to the bonds—save such as by the terms of the Plan are left undisturbed—and will result in giving to the bondholders of the Terminal Company, who are its real owners, the control of the properties. I believe the prospects for the future are bright and that with the owners in control of their property, the vexatious legal complications out of the way, and the fixed interest charges eliminated to the extent provided by the Plan, the properties under normal business conditions and with competent management will make a much better showing than is possible under any receivership.

The Wabash Pittsburgh Terminal Railway main line is a single track railroad (except for about four miles between Pittsburgh and Rook, where it is double track) extending in a westerly direction from its terminal at the corner of Ferry Street and Liberty Avenue in the City of Pittsburgh to its connection with the Wheeling and Lake Erie Railroad at Pittsburgh Junction, Harrison County, Ohio, a distance of 59.82 miles, and was opened for operation in July, 1904. All of its bridges, 77 in number, and tunnels, 17 in number, were built for double track, and it would not cost much in excess of the cost of track labor and materials to second-track the entire length of the road, if such a course should in the future become advisable. The Terminal Company also owns a single track branch line of railway extending between Longview on the line of the West Side Belt and Mifflin Junction on the line of the Union Railroad a distance of about 3.49 miles. The main line of the Terminal Company was built by or under the direction of the Pittsburgh-Toledo Syndicate for a Wabash connection into Pittsburgh, for the purpose of securing an entrance into Pittsburgh and a share of the transportation of the freight of the Pittsburgh district, the greatest tonnage producing district of the world. The branch line of the Terminal Company, known as the Thompson's Run Branch, completed in 1906, was constructed to make a connection with the Union Railroad so that freight could move along the railroad of the Terminal Company as contemplated by the Carnegie Steel Company contract. As shown by the books of the Terminal Company the cash cost of its property (exclusive

of its interest in the Coal Company, the West Side Belt and the Wheeling Company stock) up to the time of the receivership exceeded \$24,500,000. Since the receivership there has been spent on this property, for betterments and improvements and for the purchase of equipment, from the proceeds of receivers certificates and from income about \$2,400,000; this is in addition to abnormal amounts expended from earnings for maintenance. The West Side Belt Railroad is a single track railroad extending from a connection with the Pittsburgh and Lake Erie Railroad in the West End of the City of Pittsburgh, to a connection with the Pittsburgh, Virginia and Charleston and St. Clair Terminal Railroads at Clairton, Allegheny County, Pennsylvania, a distance of 20.77 miles and connecting with the main line of the Terminal Company at or near West Belt Junction. It was completed and opened for traffic during the year 1903 for the purpose of transporting the coal of the Coal Company to market. There has been spent upon this property since its receivership, including the purchase of equipment, from the proceeds of receivers certificates and from income about \$830,000. A map accompanies this letter which shows the line of railroad of the Terminal Company, its connections with other lines of railroad, the line of railroad of the West Side Belt, and the coal areas of the Coal Company. The Terminal Company owns extensive and extremely valuable terminals in the City of Pittsburgh, both for passenger and freight business, and also owns subject to the pledge thereof as stated in the Plan all of the outstanding stock and all of the outstanding consolidated mortgage bonds of the Coal Company which in turn owns more than 98% of the stock of the West Side Belt.

The Coal Company originally owned about 15,000 acres of coal, about 11,120 acres in a more or less compact area in Allegheny County, Pennsylvania, and 3,880 acres in Washington County. Only about 2,120 acres of this coal situated in Allegheny County has been mined, so the Coal Company owns today about 12,880 acres of unmined coal. The Allegheny County properties are developed and are being worked by 5 complete and modern mining plants. The Washington County tract is undeveloped. Between June 1, 1909, and April 1, 1915, an aggregate of something over \$850,000 was spent for capital improvements and betterments on the property. Since the termination of the lease of the coal properties of the Coal Company its annual output of coal for the years 1910 to 1914 (both inclusive) has been as follows :

Year ending June 30, 1910,	1,349,863 tons
“ “ “ “ 1911,	1,562,345 “
“ “ “ “ 1912,	2,055,881 “
“ “ “ “ 1913,	2,584,079 “
“ “ “ “ 1914,	2,800,575 “

Under normal business conditions and with the present under-ground development and the present plant the output of the Coal Company ought to reach and remain at about 3,200,000 tons per annum, and with a capital expenditure of about \$500,000 to open a new mine, the output can be ultimately raised to about 4,000,000 tons per annum. The unmined tonnage of the Coal Company, including its subsidiary Pittsburgh Terminal Land Company, in September, 1914, was estimated from 90,000,000 to 100,000,000 tons of coal. The coal is of good quality, suitable for fuel and gas-making purposes. The gas coal is as good as any of the gas coal and the fuel coal is as good as any of the fuel coal produced in the Pittsburgh district. The Terminal Company in 1904 acquired all the outstanding stock of the Coal Company at a cost, as shown by its books, of \$3,150,000. Since then there has been spent down to June 1, 1909, for capital improvements, as shown by the books, upon the properties of the Coal Company, and its subsidiaries, including the amount so spent on the properties of the West Side Belt, to the time of its receivership, approximately \$3,500,000.

Coal other than that owned by the Coal Company is located along the lines of the Terminal Company and is being transported over its road thus adding to its coal freight revenue. Generally speaking, the property contiguous to the entire line of the Terminal Company, except at the eastern end, is underlain with coal, and there are very large acreages of undeveloped coal which will produce revenue in the future. At present nine mining companies have openings and ship coal to lake and rail points, both west and east, over the road of the Terminal Company. Within the last few months arrangements have been completed for the opening of four additional properties on the Terminal Company's line. There is much more coal along the line of the Terminal Company undeveloped than developed and the transportation of such undeveloped coal must necessarily be a great source of revenue in the future.

The cars and engines of both the Terminal Company and the West Side Belt are in good repair and have been kept up. The buildings of both companies, including the terminal buildings in the city of Pittsburgh, are in good order and repair and do not require and are not likely to require capital expenditures in the future. The track and road-bed of the Terminal Company are in fair operating condition, and of the West Side Belt in good condition. There is at this time no necessity of providing money for double track, the present track facilities being sufficient to take care of a considerable increase over the present normal business of the company.

Owing to the physical conditions now existing in and about Pittsburgh it would today be impossible, except at a large cost, to reproduce and gather together proper-

ties similar to those intended to be acquired in the reorganization, with like favorable connections and conditions. The area of coal owned by the Coal Company enjoys most advantageous facilities for the transportation of coal to the lakes and all rail points. It would be difficult to acquire in the Pittsburgh district other coal lands as extensive, containing as good coal, and enjoying as good transportation facilities. The cost today of putting together an enterprise with properties similar to those to be acquired by the reorganized Company and with like favorable connections and conditions, in my judgment, would be not less than \$40,000,000 and might exceed that figure by a large amount.

Considering the value of the Terminal Company's real estate holdings in Pittsburgh, its Pittsburgh connections, the coal which can be produced by the Coal Company, the transportation of said coal, all of it over the lines of the West Side Belt and a large portion thereof (and larger as transportation facilities are provided) over the lines of the Terminal Company, the developed and undeveloped coal along the line of the Terminal Company, the favorable connections and relations of the Terminal Company with the steel and iron-producing companies in the district, and the settlement and development of the country traversed by the Terminal Company's line of railway, as is shown by the steady and consistent gains in passenger earnings, there should be no doubt of the large increase in the value of said properties.

H. F. BAKER,

Receiver of The Wabash Pittsburgh Terminal Railway Company
and of West Side Belt Railroad Company.



Map of
WABASH PITTSBURG TERMINAL RY.
And
WEST SIDE BELT R.R.
Office of Cpf. Eng'r
Nov. 1908.
Revised June 1915.
Scale of Miles
0 1 2 3 4 5 6 7 8 9 10
C.K.B.

EXPLANATION:
W.P.T.R.Y.
W.S.B.R.R.
P.T.R.R.&C.C.

PLAN OF REORGANIZATION.

PRESENT CAPITALIZATION * OF THE WABASH PITTSBURGH TERMINAL RAILWAY COMPANY,
PITTSBURGH TERMINAL RAILROAD AND COAL COMPANY, AND WEST SIDE BELT
RAILROAD COMPANY.

1. BONDS NOT IN DEFAULT :

Pittsburgh Terminal Railroad and Coal Company		
First Mortgage 5s.	\$3,922,000	
West Side Belt Railroad Company First Mortgage 5s.	383,000	
		\$4,305,000

2. REAL ESTATE MORTGAGES :

Terminal Land Company Mortgage	99,650	
Underlying Real Estate Mortgages	795,868	
		\$895,518

3. RECEIVERS' CERTIFICATES :

Terminal Company	\$2,395,880	
West Side Belt Railroad Company	714,286	
		\$3,110,166

4. SECURED INDEBTEDNESS :

To The Wabash Railroad Company, with interest to July 1, 1915, secured by the pledge of the entire capital stock and all the outstanding consolidated bonds of the Coal Company	\$7,464,826	
Other Secured Indebtedness	578,271	
		\$8,043,097

5. BONDS IN DEFAULT :

Terminal Company		
First Mortgage Bonds	\$30,236,000	
Second Mortgage Bonds	20,000,000	
Interest unpaid and accrued thereon to July 1, 1915 (exclusive of interest on interest)	13,459,343	
		63,695,343

* Excluding inter-company indebtedness, securities pledged to secure indebtedness included, stock of subsidiary companies and current liabilities.

6. UNSECURED INDEBTEDNESS:

To The Wabash Railroad Company.....	\$664,808
Other Unsecured Indebtedness.....	216,413
Contingent Claims.....	330,000
	\$1,211,221

7. STOCK OF THE TERMINAL COMPANY..... 10,000,000

Total Present Capitalization.....

\$91,260,345

ESTIMATED CASH REQUIREMENTS.

W. P. T. Receiver's certificates.....	\$2,395,880
West Side Belt Receiver's Certificates.....	714,286
Acquisition of properties (including stock and bonds of the Coal Company) discharge of judgments against West Side Belt and other claims against West Side Belt and its Receiver requiring provision in reorganization.	3,818,152
Terminal Land Company mortgage.....	99,650
Receivership obligations in excess of surplus, taxes, judgments, etc.....	375,345
Other claims requiring provision in reorganization including reorganiza- tion expenses, cost of incorporation of New Company and issuance of new stock, including Federal taxes and State taxes in three states, working capital, etc.....	1,667,487
Total.....	\$9,070,800

METHOD AND SCOPE OF REORGANIZATION.

It is proposed to effect the reorganization by the use of an existing company or companies or by the formation of one or more new companies (herein termed "New Company") which shall acquire, in such manner and in such form of ownership or control as the Reorganization Committee may in its exclusive discretion determine, the entire property now owned or controlled by the Terminal Company or such part thereof as may be acquired in the process of reorganization, through foreclosure or otherwise, as the Reorganization Committee may determine (other than stock of the Wheeling Company, as to which provision is hereafter made), including the \$3,800,000 face value of Consolidated Mortgage Bonds (the entire amount outstanding) and the \$14,000,000 par value of stock (the entire issue) of the Coal Company (excepting directors' qualifying shares of stock), that are now pledged to secure certain of the outstanding notes of the Terminal Company free from such pledge, or the physical prop-

erty represented by said stock free from the debt represented by said bonds, subject, however, as to the property covered thereby, to the liens of mortgages and of trust indentures securing the following outstanding obligations, which will remain undisturbed in reorganization, viz. :

* \$3,922,000 First Mortgage Bonds of Pittsburgh Terminal Railroad and Coal Company ;
 \$ 383,000 First Mortgage Bonds of West Side Belt Railroad Company ; and
 \$ 795,868 Underlying Real Estate Mortgages of the Terminal Company.

 \$5,100,868

The Consolidated Mortgage Bonds of the Coal Company of which all outstanding are intended to be acquired under the Plan, may be cancelled or may be permitted to remain undisturbed in reorganization.

NEW SECURITIES.

It is proposed that the New Company shall issue the following securities :

1. PREFERRED STOCK..... \$9,100,000

The holders of the preferred stock shall be entitled to dividends as and when determined and declared by its board of directors, at the rate of six per centum per annum, and no more, payable out of the surplus or net profits of the New Company. Said dividends shall be cumulative after January 1, 1921. In case of the dissolution or liquidation of the New Company the holders of the preferred stock shall be entitled to receive out of the assets of the New Company the par amount of their stock and any dividends declared and unpaid thereon and all unpaid accumulated dividends subsequent to January 1, 1921, and no more, before any payment shall be made upon the common stock of the New Company. The preferred stock is subject to redemption and retirement at any time upon not less than ninety days' published notice at 105 per cent. of its par value and all declared and unpaid dividends and all accumulated and unpaid dividends, after January 1, 1921.

* Excluding First Mortgage Bonds pledged as part of the security for the Consolidated Mortgage Bonds of the Coal Company.

2. COMMON STOCK ----- \$30,500,000

The common stock shall be subject to the rights and privileges of the holders of the preferred stock. No dividends shall be paid or set apart for the common stock in any fiscal year unless and until full dividends at the rate of six per centum per annum for such fiscal year shall have been declared and paid or provided for by a fund set apart for the payment thereof, nor after January 1, 1921, unless and until full dividends shall have been paid on the preferred stock for all previous fiscal years or portions thereof subsequent to January 1, 1921. When full dividends at the rate of six per centum per annum upon the preferred stock for the current fiscal year shall have been declared and paid or provided for as aforesaid, and after January 1, 1921, full dividends upon the preferred stock shall have been paid for all previous fiscal years or portions thereof subsequent to January 1, 1921, the board of directors of the New Company may in its discretion declare dividends on the common stock of the New Company at such rate as may from time to time be determined by said board of directors, payable then or thereafter out of any remaining surplus or net profits of the New Company. In case of the dissolution or liquidation of the New Company, when the holders of the preferred stock shall have received the par amount of their stock and any dividends declared and unpaid thereon and all unpaid accumulated dividends subsequent to January 1, 1921, the holders of the common stock shall be entitled, in proportion to their respective holdings, to all of the remaining assets of the New Company or the proceeds thereof.

PROVISION FOR CASH REQUIREMENTS.

In order to provide the estimated cash requirements of the Plan there will be charged as a condition of participation in the Plan against each First Mortgage Bond thirty per cent. of the face amount of principal thereof. The holders of certificates of deposit subject to the Plan will be required to pay said amount in cash to the Depositary at its office in the City of New York within the time limited by the Plan, and failure to so pay such amount or any instalment thereof within the period

or periods so fixed shall forfeit all rights and interests of such defaulting holder of a certificate of deposit under the Plan, in the bonds or certificates represented by his certificate of deposit or the avails thereof and in all previous instalments paid. The amounts payable in respect of each \$1,000 First Mortgage Bond (and at a like rate for bonds of a different principal amount) shall be paid in instalments of the following amounts and on or before the following dates, viz. :

\$100 on or before **September 1, 1915,**

\$100 on or before **November 1, 1915,**

\$100 on or before **December 1, 1915.**

\$300

WHEELING AND LAKE ERIE STOCK.

There is now pledged under the First Mortgage of the Terminal Company stock of the Wheeling Company as follows :

\$847,500 par value of first preferred stock,

\$6,423,800 par value of second preferred stock, and

\$11,870,000 of common stock.

Stock of the Wheeling Company pledged under the First Mortgage of the Terminal Company and acquired in the course of the reorganization or certificates representing a like amount of said stock deposited under the trust agreement herein-after mentioned will be distributable, upon the consummation of the Plan, among holders of certificates of deposit issued under or subject to the Plan complying with the Plan and Agreement of Reorganization, as shown by the table of distribution hereinafter contained.

Holders of certificates of deposit representing First Mortgage Bonds issued under or subject to the Plan bearing notation showing the payment under the Plan of the first instalment of \$100 for each \$1,000 First Mortgage Bond represented by each such certificate of deposit, prior to **September 1, 1915**, may present to the Depositary at its office 54 Wall Street, New York City, their said certificates of deposit to have noted thereon their request that the stock of the Wheeling Company be transferred to three trustees under a trust agreement for a period expiring July 1, 1917, or sooner in the discretion of such trustees. If holders of such certificates of deposit so stamped representing a majority in amount of the deposited First Mortgage Bonds, in respect of which such first instalment of \$100 per \$1,000 bond shall

have been made, shall so request by so presenting before said date their certificates of deposit, then the Wheeling Company stock acquired in the reorganization shall be vested in Willard V. King, Morgan J. O'Brien and S. Davies Warfield, as trustees under a trust agreement for a period expiring July 1, 1917, or sooner if determined by said trustees or their successors, and certificates issued under said trust agreement will be distributed upon the consummation of the Plan to holders of certificates of deposit complying with the provisions thereof. If holders of such certificates of deposit representing a majority in amount of the deposited First Mortgage Bonds in respect of which such payment shall have been made shall not so request before September 1, 1915, then certificates of stock of the Wheeling Company will be distributed upon the consummation of the Plan to the holders of certificates of deposit complying with the conditions thereof. In either case bearer scrip certificates may be issued to represent fractional interests. If any one or more of the three trustees above named shall die, refuse to act or otherwise be incapacitated or disqualified, prior to the execution and delivery of such trust agreement, his or their substitute or substitutes may be selected by the Reorganization Committee. The agreement under which the stock of the Wheeling Company acquired in the reorganization will, in the case aforesaid, be vested in trustees shall be in substantially the form filed with the Depositary, which may be inspected during business hours by holders of certificates of deposit issued under or subject to the Plan.

TABLE OF DISTRIBUTION.

	Payment.	New Preferred Stock.	New Common Stock.	Wheeling & Lake Erie.		
				1st Pfd. Stock or Trust Certificates.	2nd Pfd. Stock or Trust Certificates.	Common Stock or Trust Certificates.
	30%	30%	100%	2.8%	21%	39%
\$30,236,000 First Mtge. Bonds.....	\$9,070,800	\$9,070,800	\$30,236,000	\$846,608	\$6,349,560	\$11,792,040
Balance for reorganization purposes or in treasury.....		29,200	264,000	892	74,240	77,960
Totals.....		\$9,100,000	\$30,500,000	\$847,500	\$6,423,800	\$11,870,000

TREATMENT OF FIRST MORTGAGE BONDS.

Depositors of each \$1,000 First Mortgage Bond upon making the cash payment of \$300 and otherwise complying with the provisions of the Plan will accordingly receive upon the completion of the reorganization

\$300 in new preferred stock.

\$1,000 in new common stock.

\$28 in existing Wheeling Company first preferred stock or trust certificates representative thereof.

\$210 in existing Wheeling Company second preferred stock or trust certificates representative thereof.

\$390 in existing Wheeling Company common stock or trust certificates representative thereof.

First Mortgage Bonds of a different principal amount upon making a like proportional payment will receive a like proportional amount of securities.

Bearer scrip certificates may be issued to represent fractional interests.

TREATMENT OF SECOND MORTGAGE BONDS.

Depositors of Terminal Company Second Mortgage Bonds upon complying with the provisions of the Plan will be permitted to acquire securities (including stock of the Wheeling Company or trust certificates representative thereof) offered under the Plan to but not taken by the Depositors of First Mortgage Bonds upon payment as provided in the Plan of the amount required to be paid by the Depositors of First Mortgage Bonds in respect of the securities so offered and not taken. The payments to be made and the securities to be delivered in respect of Second Mortgage Bonds deposited under the Plan will be apportioned ratably among the Depositors thereof but the Reorganization Committee may make such adjustments as it deems expedient to avoid fractional interests in the new securities and may issue bearer scrip certificates for fractional interests. No such Depositor of Second Mortgage Bonds will be required nor be entitled to pay more than at the rate of \$300 for each \$1,000 bond nor be entitled to receive upon such payment new securities at a greater or different rate than allotted under the Plan to Depositors of First Mortgage Bonds making the payments provided. Holders of Second Mortgage Bonds desiring to participate in the Plan must pay on account of the cash payment required of them as a condition of their participation in the Plan **\$100** per each \$1,000 bond (and at a like rate for bonds of a different principal amount) on or before **September 1, 1915**. The amounts of subsequent instalments, payable respectively on or before **Novem-**

ber 1, 1915, and on or before **December 1, 1915**, will be made as nearly equal as possible.

GENERAL PROVISIONS.

The board of directors of the New Company will be selected by the Reorganization Committee, and if the Reorganization Committee deems advisable it will classify the board so that the term of one class only will expire in each year. Upon the completion of the reorganization, and after the election of said board of directors, stock will be distributed with full voting rights.

Prior to declaring the Plan operative the Reorganization Committee may amend or modify the Plan in any respect it sees fit, or may substitute a new plan, or may abandon the Plan, and in case of any such amendment, modification, substitution or abandonment holders of certificates of deposit issued under or subject to the Plan may for the period of two weeks after the first publication of notice of such amendment, modification, substitution or abandonment, withdraw the bonds represented by their certificates of deposit upon payment of their *pro rata* share of the compensation and expenses of the Reorganization Committee, and upon such withdrawal within such period will be entitled to receive the respective amounts previously paid under the Plan, in respect of the bonds represented by their certificates of deposit, but without interest thereon. The Reorganization Committee may modify or abandon the Plan after declaring the same operative, as provided in the Agreement hereto attached.

The word Plan, as used in this instrument, is intended to include the Agreement hereto attached as well as the Plan and to refer not only to the Plan as now formulated but as well to the Plan as hereafter modified or to any substituted Plan.

CAPITALIZATION.

Total new stock provided by the Plan.....	\$39,600,000
Bonds and mortgages outstanding in the hands of the public undisturbed in reorganization (other than Consolidated Mortgage Bonds of the Coal Company to be cancelled or acquired by the New Company)....	5,100,868
Total bonds, mortgages and stock outstanding in the hands of the public on reorganization (including any new stock not used for reorganization purposes).....	\$44,700,868
Present capitalization	91,260,345
Decrease in capitalization.....	\$46,559,477

FIXED INTEREST CHARGES.

Prior to Reorganization.

The Wabash-Pittsburgh Terminal Railway Company.....	\$2,483,252
Pittsburgh Terminal Railroad and Coal Company and its subsidiaries..	300,000
Total	<u>\$2,783,252</u>

Upon Reorganization.

Interest on underlying bonds, viz.: bonds of the West Side Belt Railroad Company and of the Coal Company, in the hands of the public, and Underlying Real Estate mortgages.....	\$257,008
Interest on real estate mortgage covering property the equity in which is expected to be acquired by the New Company.....	4,095
Total	<u>\$261,103</u>
Decrease in fixed charges.....	\$2,522,149

EARNINGS.

The following statements of earnings have been furnished the Reorganization Committee by the Receiver of the Terminal Company and approved by the expert adviser employed by the Reorganization Committee. The statement is made after the elimination of interest and other charges in respect of indebtedness to be paid in reorganization and rental of leased rolling stock and equipment surrendered:

FISCAL YEAR ENDING JUNE 30, 1914.

Total combined income of Terminal Company and West Side Belt as shown by Receiver's annual report	\$439,076.92
Deduct:	
Rentals	\$31,558.77
Interest on West Side Belt \$383,000 bonds.....	19,150.00
Interest on \$795,868 real estate mortgages	41,758.53
	<u>92,467.30</u>
	\$346,609.62
Coal Company net earnings after payment of interest and sinking fund in respect of \$3,922,000 first mortgage bonds outstanding in the hands of the public	166,562.78
	<u>\$513,172.40</u>

FISCAL YEAR ENDING JUNE 30, 1915 (MAY AND JUNE ESTIMATED).

Total combined income of Terminal Company and West Side Belt.	\$188,000.00
Deductions, as before	92,467.30
	\$ 95,532.70
Coal Company deficit, as estimated, after paying interest and sinking fund in respect to first mortgage bonds outstanding in the hands of the public	377.12
	\$ 95,155.58

The Receiver has filed with the Reorganization Committee the following statement, approved by the expert adviser of the Reorganization Committee, in regard to earnings :

“ The maintenance of way and equipment for the fiscal year 1913-1914 was excessive, being about \$25,000 more than what should be normal expenditures for these accounts. Until September 1, 1914, the West Side Belt was using certain equipment leased from the Wabash Company under terms burdensome to the West Side Belt. The rentals for this equipment are not deducted as a charge in the foregoing statements as the equipment has been surrendered and the liability of the company to pay future rental therefor has terminated. While the repair charges for this equipment were, on account of its age and character, inordinately high, yet its use to some extent added to the revenues. If when the improvement of business conditions warrants, approximately 1,000 new gondola cars, of say 50-ton capacity, are provided, the earnings of the new equipment should considerably exceed the earnings attributable to the old leased equipment now surrendered, and the cost of repairs and maintenance of the new equipment should be much less than the similar cost in respect of the old leased equipment.

THE EARNINGS FOR THE FISCAL YEAR 1914-1915 ESTIMATED AS ABOVE STATED FORM NO STANDARD FOR JUDGING THE EARNING POWER OF THE PROPERTY. The general business condition and the prostration of the coal business in particular are mainly responsible for the shrinkage in the income. Another source of loss arose from the action of the Interstate Commerce Commission in the Industrial Railways case effective April 1, 1914, as a result of which all terminal allowances were cancelled and the properties lost practically all interstate freight from terminal lines estimated at about \$75,000 in gross for the balance of the fiscal year 1913-1914. This matter has been adjusted and a new schedule of terminal allowances filed, which took effect

April 14, 1915. Therefore a resumption of revenues from this source, amounting to from 40% to 45% of the general freight earnings before the change, may be reasonably expected. It is expected that soon after reorganization arrangements can be made reducing the rentals as stated above by about \$22,500 per annum.

ESTIMATES OF FUTURE EARNINGS SHOULD BE BASED ON THE EARNINGS OF THE FISCAL YEAR ENDING JUNE 30, 1914, AND FOR THE REASONS STATED THE EARNINGS FOR THE CURRENT FISCAL YEAR DISREGARDED. The earnings were good for the first six months of the fiscal year 1913-1914, but for the second six months of such fiscal year they were only fair, and for some of the time poor, because of the commencement of the slackening of business and for the other reasons mentioned. Assuming average business conditions, the provision of adequate equipment and the use of money provided by the reorganization, I am of the opinion that under competent management the New Company for the first full fiscal year, commencing after the completion of the reorganization, should show surplus earnings of at least \$650,000 over and above all charges remaining after reorganization. I believe these earnings under similar conditions should show a normal increase in the future, and under favorable conditions and developments may show a large increase in the comparatively near future."

CONDITIONS OF PARTICIPATION.

The Plan has been prepared and adopted by the committee of holders of First Mortgage Bonds of the Terminal Company, constituted by the agreement dated June 3, 1908, as amended by instrument dated July 13, 1908, and a copy of the Plan has been filed with each of the Depositaries under said agreement of June 3, 1908, as amended. Notice of such preparation, adoption and filing will be given in accordance with the said agreement. Every holder of a certificate of deposit under said agreement of June 3, 1908, as amended, who shall not exercise the right of withdrawal conferred by said agreement within the period therein limited shall be conclusively and finally deemed for all purposes to have irrevocably waived the right of withdrawal given by said agreement, and the Plan shall be binding on all holders of certificates of deposit who shall not so withdraw their deposited bonds, provided the registered holders of forty per cent. in amount of the outstanding certificates of deposit under said agreement as amended shall not have exercised within said period such power of withdrawal. The rights of such holders of certificates of deposit, however, shall be only such as are conferred by the Plan, and shall be subject to compliance with such terms and conditions as the Plan imposes as conditions of participation in the benefits thereof.

The Plan has been prepared and adopted by the committee of holders of First Mortgage Bonds of the Terminal Company, constituted by the agreement dated July 25, 1910, and a copy of the Plan has been lodged with the Depositary under said agreement of July 25, 1910. Notice of such preparation, approval and lodging will be given in accordance with the said agreement. Every holder of a certificate of deposit under said agreement of July 25, 1910, who shall not exercise the right of withdrawal conferred by said agreement within the period therein limited shall be conclusively and finally deemed for all purposes to have irrevocably waived the right of withdrawal given by said agreement, and the Plan shall be binding on all holders of certificates of deposit who do not so withdraw their deposited bonds or certificates. The rights of such holders of certificates of deposit, however, shall be such only as are conferred by the Plan, and shall be subject to compliance with such terms and conditions as the Plan imposes as conditions of participation in the benefits thereof.

Holders of First Mortgage Bonds and of Second Mortgage Bonds by depositing, on or before **September 1, 1915**, with the Depositary under the Plan their bonds in negotiable form (the First Mortgage Bonds with the coupon due June 1, 1908, and all subsequent coupons, and the Second Mortgage Bonds with the coupon due December 1, 1910, and all subsequent coupons) may become parties to the Plan, and shall thereby be bound and concluded by the Plan, but shall be entitled to the benefits thereof only upon compliance with the terms and conditions of the Plan. Certificates of deposit will be issued for all bonds so deposited.

Dated June 25, 1915.

J. N. WALLACE,
GORDON ABBOTT,
HARRY BRONNER,
JAS. C. CHAPLIN,
HALEY FISKE,
CLARENCE L. HARPER,
WM. R. NICHOLSON,
RICHARD SUTRO,
MEIGS H. WHAPLES,
ASA S. WING,
Reorganization Committee.

AGREEMENT OF REORGANIZATION.

Agreement dated the twenty-fifth day of June, 1915, between

(1) J. N. WALLACE, GORDON ABBOTT, HARRY BRONNER, JAMES C. CHAPLIN, HALEY FISKE, CLARENCE L. HARPER, WILLIAM R. NICHOLSON, RICHARD SUTRO, MEIGS H. WHAPLES and ASA S. WING, who are hereby constituted the Reorganization Committee (hereinafter called the Committee), parties of the first part ;

and

(2) holders of

(a) Certificates of deposit of Central Trust Company of New York and of Old Colony Trust Company (of Boston) representing First Mortgage Four Per Cent. Fifty Year Gold Bonds (hereinafter termed the First Mortgage Bonds) of The Wabash Pittsburgh Terminal Railway Company (hereinafter termed the Terminal Company) deposited under a certain bondholders' protective agreement dated June 3, 1908, as amended by instrument dated July 13, 1908 ;

(b) Certificates of deposit of Columbia Trust Company of New York representing First Mortgage Bonds or the above mentioned certificates of deposit of Central Trust Company of New York or Old Colony Trust Company (of Boston) deposited under a certain bondholders' protective agreement dated July 25, 1910 ;

(c) First Mortgage Bonds ;

(d) Second Mortgage Four Per Cent. Fifty Year Gold Bonds (hereinafter termed the Second Mortgage Bonds) of the Terminal Company ;

who shall become parties to this agreement in the manner hereinafter provided, and their assigns, transferees and successors in interest, together with the holders from time to time of certificates of deposit issued under or subject to the Plan and this Agreement (all of whom are hereinafter termed the Depositors) parties of the second part.

The foregoing Plan of Reorganization (hereinafter termed the Plan) and this Agreement have been prepared, approved and adopted severally and respectively by two committees representing First Mortgage Bonds, and have been approved by a committee representing Second Mortgage Bonds.

Now, THEREFORE, the parties hereto, for and in consideration of the premises and of the promises herein contained and for the purpose of carrying out the foregoing

Plan of Reorganization, in whole or in part or as modified or amended, have mutually agreed and hereby do severally agree, and each Depositor has agreed and hereby does agree with the other Depositors and with the Committee as follows :

ARTICLE FIRST.

The foregoing Plan is hereby approved by the Depositors. A printed copy of the Plan and this Agreement, signed by a majority of the Committee, shall be lodged with Central Trust Company of New York, the depository under the Plan and this Agreement, hereinafter termed the Depository. The Plan is hereby made a part of this Agreement with the same force and effect as though every provision thereof had been embodied herein, and the Plan and this Agreement shall be read as parts of one and the same instrument, and every Depositor shall be bound by both ; but no estimate, statement, explanation or suggestion nor anything else contained in the Plan or in this Agreement, or in any circular put forth by advertisement or otherwise issued or published or which may hereafter be issued or published, is intended or is to be taken or accepted or construed as a representation or warranty, or as a condition of, or inducement for, any deposit, assent or payment under the Plan and this Agreement, or any modification thereof or amendment thereto ; and no defect or error in the Plan or in this Agreement shall release any Depositor from or under the Plan and this Agreement or any modified plan or agreement or agreement supplemental hereto or affect or release any assent thereto, or any payment made pursuant to the Plan and this Agreement, or anything done thereunder or in connection therewith, except with the written consent of the Committee.

ARTICLE SECOND.

Participation in the Plan and this Agreement in any respect whatever is dependent upon the holders of the securities hereinbefore mentioned becoming parties to the Plan and to this Agreement in manner as follows, viz :

The Plan and this Agreement have been prepared, approved and adopted by the protective committee constituted by and acting under the Bondholders' Protective Agreement, dated June 3, 1908, as amended by instrument dated July 13, 1908. The protective committee, acting under said Protective Agreement as amended, has agreed with the Committee forthwith to file a copy of the Plan and this Agreement with each

of the depositaries under said Protective Agreement and to give notice by publication in the manner provided by said Protective Agreement as amended of such filing and of the approval and adoption by said protective committee of the Plan and this Agreement, and upon the expiration of sixty days after the first publication of said notice (provided the registered holders of forty per cent. in amount of the outstanding certificates of deposit shall not have exercised within said sixty-day period the power of withdrawal conferred by the said Protective Agreement as amended) to deposit under the Plan and this Agreement all First Mortgage Bonds and appurtenant coupons now deposited under said Protective Agreement, save only such as shall during such period be withdrawn in compliance with the provisions of said Protective Agreement as amended. All First Mortgage Bonds so deposited shall be held and dealt with as provided by the Plan and this Agreement, and the holders of certificates of deposit issued under said Protective Agreement either before or after the amendment thereof, as aforesaid (except the certificates of deposit surrendered in accordance and compliance with the provisions of the said Protective Agreement within the said sixty-day period) shall be bound and concluded by the Plan and this Agreement, but shall be entitled to the benefits thereof only upon compliance with the terms and provisions of the Plan and this Agreement within the respective periods in the Plan and this Agreement provided. The certificates of deposit issued under the said Protective Agreement not so surrendered within said sixty-day period shall be conclusively deemed and taken for all purposes as subject to the Plan and this Agreement, provided, however, that the Committee may by notice, published in the manner hereinafter provided in Article Tenth hereof, exclude from participation in the benefits of the Plan and this Agreement and from any and all interest thereunder the holders of all such certificates of deposit who shall not within the time and in the manner required in such published notice, produce the same to the Depositary under the Plan and this Agreement at its office 54 Wall Street, New York City, and permit the stamping thereof as expressly assenting to the Plan and this Agreement.

The Plan and this Agreement have been prepared, approved and adopted by the protective committee constituted by and acting under the Bondholders Protective Agreement dated July 25, 1910. The protective committee acting under said Protective Agreement has agreed with the Committee forthwith to lodge a copy of the Plan and this Agreement with the depositary under said Protective Agreement and to give notice by publication in the manner provided by said Protective Agree-

ment of such lodging and of the approval and adoption by said protective committee of the Plan and this Agreement, and upon the expiration of sixty days after the first publication of said notice to deposit under the Plan and this Agreement all First Mortgage Bonds and appurtenant coupons and all certificates of deposit of Central Trust Company of New York and of Old Colony Trust Company (of Boston) representing First Mortgage Bonds and coupons, now deposited under said Protective Agreement, save only such as shall during the period of thirty days commencing on the day of the first publication of such notice be withdrawn in compliance with the provisions of said Protective Agreement. All First Mortgage Bonds so deposited shall be held and dealt with as provided by the Plan and this Agreement, and the holders of certificates of deposit issued under said Protective Agreement (except the certificates of deposit surrendered in accordance and in compliance with the provisions of said Protective Agreement within the said thirty-day period) shall be bound and concluded by the Plan and this Agreement, and shall be entitled to the benefits thereof only upon compliance with the terms and provisions of the Plan and this Agreement within the respective periods in the Plan and in this Agreement provided. The certificates of deposit issued under said Protective Agreement not so surrendered within said thirty-day period shall be conclusively deemed and taken for all purposes as subject to the Plan and this Agreement; provided, however, that the Committee may, by notice published in the manner hereinafter provided in Article Tenth hereof, exclude from participation in the benefits of the Plan and this Agreement and from any and all interest thereunder the holders of all such certificates of deposit who shall not within the time and in the manner required in such published notice produce the same to the Depositary under the Plan and this Agreement at its office, 54 Wall Street, New York City and permit the stamping thereof as expressly assenting to the Plan and this Agreement.

Holders of First Mortgage Bonds and of Second Mortgage Bonds by depositing on or before the first day of September, 1915, with the Depositary their bonds, in negotiable form, the First Mortgage Bonds with the coupon due June 1, 1908, and all subsequent coupons, and the Second Mortgage Bonds with the coupon due December 1, 1910, and all subsequent coupons, may become parties to the Plan and this Agreement and shall thereby be bound and concluded by the Plan and this Agreement, but shall be entitled to the benefits thereof only upon compliance with the terms and provisions of the Plan and this Agreement within the respective periods in the Plan and this Agreement provided.

All deposits must be made within the period or periods prescribed by the Plan

or by this Agreement. Upon every deposit of bonds under the Plan and this Agreement certificates of deposit in such form as may be approved by the Committee will be issued by the Depositary, transferable subject to the provisions of this Agreement, but only in such manner as the Committee shall determine.

Upon the transfer of any certificate of deposit issued under or subject to the Plan, the transferee shall for all purposes be substituted for the prior holder, and holders for the time being of the respective certificates of deposit may be treated by the Committee and the Depositary as the absolute owners thereof and of all the rights of the original Depositor, and neither the Committee nor the Depositary shall be affected by any notice to the contrary. All transferees, as well as the original holders of certificates of deposit, are embraced under the term Depositors as used herein. The term Depositor whenever used in the Plan and this Agreement is intended and shall be construed to include not only persons acting in their own right, but also trustees, guardians, committees, agents and all persons acting in a representative or fiduciary capacity, and those represented by or claiming under them, and partnerships, associations, stock companies and corporations.

Holders of certificates of deposit under the Protective Agreement dated June 3, 1908, as amended, who, in accordance with the terms thereof, surrender the same during the sixty-day period before mentioned, holders of certificates of deposit under the Protective Agreement dated July 25, 1910, who, in accordance with the terms thereof, surrender the same during the thirty-day period before mentioned, and holders of First Mortgage Bonds or of Second Mortgage Bonds who do not deposit the same with the Depositary under the Plan and this Agreement within the period fixed for that purpose or otherwise with the written consent of the Committee become parties to the Plan and this Agreement, shall not be entitled to any of the rights or benefits of or under the Plan or this Agreement, and are not included in the term Depositors as used in this Agreement.

The Depositors further agree, from time to time, whenever requested by the Committee, to execute and to deliver as requested such additional transfers, assignments and other instruments as may be required by the Committee for the purposes of the Plan or of this Agreement.

The amounts which under the Plan the Depositors are required to pay must be paid in current New York funds to the Depositary at its office 54 Wall Street, New York City, at the times fixed by the Plan and by this Agreement. Prompt payment of such amounts is an essential condition to the delivery of securities under the Plan and this Agreement (including in said term securities wherever used in this Agree-

ment, shares of stock or certificates representing an interest in stock), and any Depositor who shall fail to make prompt payment of the amounts payable in respect of his certificate of deposit as provided in the Plan and this Agreement, and of each and every instalment thereof, at the respective times by the Plan or this Agreement fixed for such payment, forthwith and without further or other notice or action, shall cease to have or be entitled to any rights or benefits under the Plan and this Agreement, and the deposited bonds and coupons or certificates represented by such certificates of deposit and their proceeds and the shares of stock or certificates representing an interest in stock which the holder of such certificates of deposit would have been entitled under the Plan and this Agreement to receive by reason of making such payment, as well as all amounts previously paid upon or in respect of such certificates of deposit, shall vest in and belong to the Committee and may be used for any purpose deemed by the Committee expedient in the carrying out of the Plan, or may be delivered or paid to the New Company mentioned in the Plan or used for any of its purposes, and in every such case all rights of such defaulting Depositor shall forthwith cease and determine, and the said certificates of deposit in respect of which such default shall be made shall forthwith become null, void and of no effect.

At the time of making payments of the amounts payable by the Depositors under the provisions of the Plan or of this Agreement, the Depositors must present their certificates of deposit to the Depositary at its office, 54 Wall Street, New York City, for appropriate notation thereon of the fact of such payment.

ARTICLE THIRD.

The Committee shall be the sole and final judge as to when and whether sufficient assents and deposits shall have been received, and whether other conditions warrant it in declaring the Plan operative and attempting to carry the same or any part thereof into effect. If and when the Committee shall declare the Plan (and whether modified or amended) operative it shall give notice of such declaration in the manner provided by Article Tenth of this Agreement. Prior to declaring the Plan operative the Committee shall cause to be kept intact and on deposit with the Depositary all sums paid by the Depositors in accordance with the provisions of the Plan or of this Agreement. Prior to declaring the Plan operative the Committee may amend or modify the Plan or this Agreement or both, in any respect, or it may substitute a new plan

or a new agreement or both, or it may abandon the Plan. It may continue to exercise such rights or any of them from time to time until it shall have declared the Plan operative or abandoned the same. In the event that the Committee shall exercise any of the aforesaid rights it shall file with the Depositary any and all such amendments or modifications, new plans or agreements, and shall give notice of the adoption and filing thereof, or, if it shall determine to abandon the Plan, of such abandonment, in the manner provided by Article Tenth of this Agreement. Within the period of two weeks after the first publication of any such notice, but not prior to the commencement nor, unless the Plan shall have been abandoned, subsequent to the termination of said period, Depositors, upon payment of their *pro rata* share of the compensation and expenses of the Committee, as fixed by the Committee, and if the Committee shall elect upon payment also of their *pro rata* share of all the liabilities of the Committee, and upon presentation within said period of their certificates of deposit to the Depositary at its office 54 Wall Street, New York City, shall be entitled to receive the securities represented by their certificates of deposit and to the repayment of all amounts previously paid under the provisions of the Plan in respect of and noted upon such certificate of deposit so surrendered, but without interest thereon, and all Depositors so making such payment and surrendering their certificates of deposit shall cease to be parties to this Agreement and shall have no other or further rights or interests under the Plan or this Agreement or under such new or amended or modified plan or agreement. All Depositors not making such payment and surrendering their certificates of deposit within said two-weeks' period shall irrevocably and conclusively be deemed to have assented to such amendment or modification or new plan or agreement, and, whether or not otherwise objecting or whether or not receiving actual notice of any such amendment, modification or new plan or agreement or the terms thereof, shall be bound and concluded thereby as fully and as effectively as if they had actually and expressly assented thereto.

After the Committee shall have declared the Plan (and whether amended or modified, or any substituted plan, all of which are intended to be included in the word Plan as used in this Agreement) operative, the Committee may use or cause to be used the moneys paid under the Plan for any of the purposes of the Plan and of this Agreement either before or after the sale or purchase of all or any part of the property of the Terminal Company.

The Plan having been declared operative, the Committee shall have power

whenever it shall deem proper (notwithstanding anything that may have been done and notwithstanding any sale of any of the assets or property of the Terminal Company) to alter, modify, depart from or abandon the Plan or any part thereof. The Committee may at any time or times after partial abandonment or after any modification, restore to the Plan any abandoned part or parts thereof or discard any such modification, and may seek to carry the same into effect as fully as if such part or parts had not been abandoned or such modification made, and may, from time to time, further alter, modify or abandon the Plan in whole or in part. The Committee may also attempt to carry the Plan into effect rather than to abandon or modify the same, even though it be manifest if carried out the Plan must depart from the original Plan or some part thereof. Any change or modification when made by the Committee shall thereupon become and be part of the Plan and of this Agreement, but in case of any intentional change or modification of the Plan a statement of such change or modification shall be filed with the Depositary; and in case of any such intentional change or modification which, in the judgment of the Committee, shall alter in substantial respects (a) the extent of the preference to which the preferred or common stock of the New Company is to be entitled or of the respective participations of the holders of preferred stock and common stock in the New Company in the profits and assets of the company, or (b) the relative proportions of the authorized preferred and common stock in the New Company to be received by the holders of certificates of deposit, or (c) the properties to be acquired for the New Company, its title thereto or encumbrances thereon, or (d) the issuance of securities of a character not contemplated by the Plan, or in case the Committee in its discretion shall elect so to do in respect of any other intentional change or modification (but in no other case or event), a statement of such change or modification shall be filed with the Depositary and notice of such filing shall be given as hereinafter provided in Article Tenth of this Agreement, and during the period of two weeks commencing on the date of the first publication of such notice, but not prior to the commencement or subsequent to the termination of such period, all holders of outstanding certificates of deposit adversely affected by the change or modification mentioned in such published notice may surrender their respective certificates therefor to the Depositary, and may withdraw the securities represented thereby or the proceeds thereof or the substitutes therefor then under the control of the Committee, to the amount indi-

cated in such respective certificates; provided, however, in every such case of withdrawal, the holders of certificates of deposit severally and respectively shall make payment of their *pro rata* share of the compensation, disbursements, expenses and liabilities of the Committee, as fixed and determined by the Committee. Every holder of a certificate of deposit so withdrawing shall thereupon, without any further act, be released from the Plan and this Agreement and shall cease to have any rights thereunder, and the securities represented by such certificates, respectively, shall be released therefrom, and the exercise of such right of withdrawal shall release and discharge the Committee and the Depositary from all liability and accountability of every character to every such withdrawing holder of a certificate of deposit (except in so far as provision is hereinafter made in regard to cases where money has been paid in under the Plan by Depositors). Every Depositor not so surrendering and withdrawing within said period of two weeks commencing on the date of the first publication of said notice shall be irrevocably and conclusively deemed to have assented to the proposed change or modification and whether or not otherwise objecting or whether or not receiving actual notice shall be bound thereby as fully and effectively as if he had actually assented thereto. Any changes or modifications made by the Committee as herein provided shall be part of the Plan and of this Agreement, and all provisions hereof concerning and references to the Plan shall apply to the Plan as so changed and modified. In every such case of surrender of certificates of deposit and withdrawal of securities represented thereby, any moneys actually collected by the Committee on deposited bonds which may be withdrawn will be accounted for by the Committee to the holders of such certificates of deposit.

The Committee may at any time, and from time to time, without the consent of any other party hereto or other act of any kind, file with the Depositary a statement or statements expressing authority to do anything which in its opinion is expressly or impliedly authorized by the Plan, and such statement or statements shall, when filed and without further notice, be a part of the Plan and this Agreement as if contained in the Plan or in this Agreement.

The Committee may construe the Plan and this Agreement and its construction thereof or action thereunder in good faith shall be final and conclusive. The Committee may supply any defect or omission or reconcile any inconsistency in such manner and to such extent as shall be deemed by it necessary or expedient to carry out the Plan and this Agreement properly and effectively, and the Committee shall be

the sole judge of such necessity or expediency. This Agreement is in all respects to be liberally construed to enable the Committee to carry into effect the Plan, whether in the form hereto attached or as changed or modified pursuant to the provisions hereof.

In case the Committee shall not prior to July 1, 1916, declare the Plan or any such modified or substituted plan operative, or in case the Committee shall wholly abandon said original Plan and every modified or substituted plan, the Deposited Bonds or their proceeds and any securities received in respect thereof and other avails thereof then remaining under the control of the Committee shall be delivered or transferred to the several Depositors in amounts representing their respective interests, upon surrender of their respective certificates, properly endorsed, and upon payment of their respective shares of all compensation, disbursements, expenses and liabilities of the Committee, as fixed and determined by the Committee. In every case of withdrawal or release from the Plan and this Agreement of securities under this article, or of final abandonment of the entire Plan, the Committee shall apportion, in such proportion as it deems fair, the share of such compensation, disbursements, liabilities and expenses in the opinion of the Committee fairly chargeable to the deposited securities of each class, and any such apportionment made by the Committee shall be binding upon all Depositors and shall be a charge upon the deposited securities and the proceeds or avails thereof. In any such case, any moneys paid by the Depositors pursuant to the provisions of the Plan and of this Agreement, or any securities, claims or property acquired therewith, or the proceeds thereof, when received, remaining after deducting therefrom the share of disbursements, liabilities and expenses incurred by the Committee and apportioned to the Depositors of such class, shall be distributed or adjusted, as the Committee in its discretion shall deem to be equitable, among the respective holders of certificates of deposit of such class making such payment. The Committee shall not be held liable or responsible for loss of any money disbursed or expended by it for the purposes of the Plan or of this Agreement after the Plan shall have been declared operative, nor for any depreciation in value of any property or securities by it acquired or received, and the Depositors who shall have made payments pursuant to the Plan shall have no claim for the repayment of any such moneys except to the extent of their proportionate shares (as apportioned by the Committee between the classes of deposited securities) of such moneys or the substitutes thereof remaining in the hands of the Com-

mittee or under its control after payment of such disbursements, expenses, liabilities and compensation. Notwithstanding any provisions of this Agreement to the contrary, the pecuniary liability of the Depositors shall in all cases be confined to a charge upon the deposited securities, and no liability in excess thereof shall be assessed against the Depositors, but the Committee, its successors and assigns, for any disbursements or expenditures made or liabilities incurred by it in respect of the reorganization or the carrying out or furtherance thereof, and for its compensation and the compensation of such persons, firms or corporations (including the Depositary) as it may see fit to employ, shall have a lien upon the deposited securities, upon all property and securities acquired in the course of the reorganization, and upon the new securities contemplated by the Plan until their delivery or distribution. The term New Company as used in the foregoing provisions of this Article and elsewhere in this Agreement is intended to refer to the company or companies designated in the foregoing Plan as the New Company.

ARTICLE FOURTH.

The Depositors hereby irrevocably request the Committee to endeavor to carry the Plan into practical operation in its entirety, or with changes therein as hereinbefore provided, to such an extent and in such manner as the Committee shall determine, and the Depositors hereby agree that the Committee shall be and it hereby is vested with all the rights, powers and authority necessary or expedient to enable it to carry out the Plan in its entirety, or in part and in such manner as the Committee shall determine. Each and every Depositor for himself and not for any other does hereby, in consideration of the benefits to be received under the Plan and this Agreement, sell, assign, transfer and set over to the Committee, its successors and assigns, each and every bond and certificate deposited hereunder, and each Depositor hereby agrees that the Committee shall thereupon be vested with all the rights and powers of owners of the bonds and certificates deposited hereunder, and may use every deposited bond and certificate as fully and to the same extent that the absolute owner or holder thereof might or could do.

The Committee, from time to time, either generally or in special instances, may extend or renew the period fixed for the deposit of bonds, and permit the deposit of bonds after the expiration of any such period, whether or not extended or renewed,

and may or may not, as it determines, impose any condition or penalty in respect to any deposit after the expiration of the period fixed in respect thereof by the Plan or this Agreement; it may likewise in its discretion permit holders of bonds to become parties to the Plan and this Agreement without the actual deposit of their bonds, and subject to such conditions and restrictions, if any, as the Committee shall see fit to impose. All persons so becoming parties are intended to be included in the term "Depositor" whenever used in this Agreement. The Committee in its discretion may waive any default in the payment by any Depositor of the amounts, or any instalment of the amounts, payable by him under the Plan, and may accept payment of overdue instalments from any Depositor at any time and with or without the imposition of such terms and conditions as it may prescribe; it may also waive and remit any penalty prescribed or terms or conditions imposed whenever and upon such terms, if any, as it shall determine.

ARTICLE FIFTH.

Without prejudice to the general authority conferred upon it, the Committee may make such expenditures and incur such indebtedness, obligations and liabilities, and do such acts as the Committee in its absolute discretion may deem judicious and proper in order to carry out fully and effectively the purposes of the Plan and of this Agreement. The Committee is authorized in its discretion to lend money to the New Company; to expend or loan money in its discretion for any of the purposes of the Plan and this Agreement; to institute or to become parties to any legal proceedings; to compromise any litigation now or at any time existing or threatened, in whole or in part, with plenary power to enter into any agreement tending towards or deemed by it in its discretion likely to promote the consummation of the Plan; to acquire, compromise, settle or pay any claims or demands that the Committee in its discretion may deem expedient; to borrow money for any purpose deemed by it advisable or expedient and upon such terms and conditions as it shall determine, and to pledge or cause to be pledged any deposited securities, property purchased or new securities to be issued for the payment of any moneys borrowed, with interest; to give all agreements or bonds of indemnity or other bonds, and therewith to charge the deposited securities, property purchased or new securities to be issued hereunder or any part thereof; to acquire, upon such terms and conditions and at such prices as it may see fit, any property deemed by it expedient for the

purposes or requirements of the Plan or of the New Company ; to do whatever in the judgment of the Committee may be expedient to promote or procure the sale or purchase of the property of the Terminal Company as an entirety or otherwise, and to sell and dispose of, upon such terms and for such consideration as the Committee may deem fit, any portion of the property of the Terminal Company or of the property acquired by the Committee or by any one else that it shall deem unnecessary for the purposes of the New Company ; to bid or to refrain from bidding, or to cause anyone else to bid, at any sale, either public or private, either in separate lots or as a whole, of any property whatever, whether owned or controlled by the Terminal Company or otherwise ; to adjourn or consent to the adjournment of any sale or sales, and at, before or after any sale or purchase to arrange and agree for the resale of any portion of the property which it may decide to sell rather than to retain ; to make any offer, or to cause or permit anyone else to offer to purchase all or any portion of the property of the Terminal Company, or any other property, and, as part of any such offer or otherwise to offer to pay, and to pay, or cause or permit to be offered or paid, such amounts in cash or otherwise as the Committee shall determine ; to hold any property purchased by it either in its name or in the name of any person or corporation approved by it, and to apply any deposited securities or other property held by it herèunder or delivered to and held by anyone else for its account, in satisfaction or partial satisfaction of any bid or pursuant to any offer or contract, whether made by it or any other person or corporation approved by it, or towards obtaining funds for the satisfaction or performance thereof. The amount to be paid or offered or bid by the Committee, or which it may cause to be paid or offered or bid, for any property shall be absolutely discretionary with it and in case of a sale to others of any property, the Committee if it choose may receive out of the proceeds of such sale or otherwise any dividend in any form accruing on any of the deposited securities or other property subject hereto.

Statements in the Plan and this Agreement of the intended arrangements as to the issue and disposition of new securities and deposited securities and the organization of the New Company shall not limit the discretion of the Committee, but may be modified or changed or departed from or entirely abandoned as often as the Committee shall deem advisable, it being intended hereby that the Committee shall have full discretion and power to use whatever means it shall deem most convenient and advisable for accomplishing the organization of the New Company, the acquisition by it of any

property, directly or indirectly, and the issue and disposition of the new stocks and the other objects contemplated by the Plan and this Agreement. Anything which anywhere in the Plan and this Agreement it is provided the Committee may do or allow to be done it may do or allow to be done by or through such agents or agencies as it may determine, or by or through others with its approval or consent or acquiescence, or the Committee may contract with any person or corporation that any such thing shall be done or permitted to be done. The Committee may assign and deliver or cause to be assigned and delivered all or any of the deposited securities and may enter into such contract or contracts with anyone, as the Committee shall deem expedient for the purposes of the Plan and this Agreement.

ARTICLE SIXTH.

The Committee shall have the sole control, discretion and management of the Plan and this Agreement. It may organize or procure to be organized one or more companies or it may adopt or use any companies now existing. It may make or cause to be made consolidations, mergers, sales, purchases, leases or other arrangements by or between any such companies, any company mentioned in the Plan or in this Agreement, any company in connection with the reorganization or any of them or any other companies ; it may make or cause to be made conveyances and transfers of the property or securities acquired by it or with its approval, and may cause the ownership of all or any property by the New Company to be either direct ownership or ownership through the ownership of bonds or stocks or both of any other company ; and all of the provisions of the Plan and this Agreement shall equally apply to and in respect of any physical properties embraced in the reorganization and to and in respect of any securities representing any such property, it being intended that for all purposes of the Plan and this Agreement any such property and any securities representing such property may be treated or accepted by the Committee in its discretion as substantially identical. The Committee may take, or allow to be taken, such proceedings as it may deem proper for the purpose of creating the new stocks provided for in the Plan and this Agreement and the carrying out of any of the provisions thereof. The Committee is also authorized to receive and dispose of, or allow to be received and disposed of by any person or corporation, the new stocks to be created, and may vote or allow any person or corporation to vote upon all of the stock of the New Company or of any other corporation used in connection with the Plan, until the new stocks

shall be distributed, as contemplated in the Plan, to the persons or corporations that shall be entitled to receive the same.

The Committee may prescribe or approve the form and terms of all charters and rules, regulations and by-laws of the New Company or any other corporation that shall be utilized in the reorganization, and of all certificates of stock and other securities at any time to be issued, and all instruments to be executed, and may make contracts with regard to the form thereof. The Committee may create and provide for all necessary trusts and may appoint trustees and any such trustee or trustees may be a member or members of the Committee. The Committee may in its discretion set apart and hold in trust, or permit or cause to be set apart and held in trust, with any trust company or otherwise, any part of the new stocks to be issued or any cash which may be received under the Plan or otherwise as it may deem suitable for the purpose of securing the application thereof to any of the purposes of the Plan and this Agreement. The Committee may use or dispose of or consent to the use or disposition of any new stock or existing stock not required under the terms of the Plan for delivery to Depositors complying with the provisions of the Plan and of this Agreement, or the securities of any company which shall be utilized in the reorganization not reserved under the Plan for specific uses; and it may use, or allow to be used, the proceeds thereof for the purposes of carrying out the reorganization, or for any other purposes, in such manner as it may deem expedient and advisable for the purposes of the Plan or to carry the same into substantial effect. The amount of capitalization to be issued in the reorganization may be reduced by such amount as the Committee may determine in order to comply with the order or to obtain the approval of any Public Utilities Commission or any Commission having authority in the premises. In the event of such reduction the same shall be made in the amount of common stock provided for in the Plan, and a proportionate reduction shall be made in the amount of common stock deliverable to Depositors under the Plan complying with the conditions thereof. The Committee shall have power to make equitable provision for any case of lost or destroyed bonds, certificates of stock, certificates of deposit, or other securities, and to provide for, make and cause to be distributed to Depositors such issues of scrip as it shall deem necessary properly to represent any fractional interest in the securities deliverable under the Plan. In case the Committee shall deem it advisable for any reason it may issue or authorize the issue of temporary or interim certificates to represent new stock. The Committee may purchase, pay, compromise, settle, surrender or release any obligations

or indebtedness of, or claims against the Terminal Company, or any of its subsidiary or controlled companies, or any claims or demands against or liens or charges upon any property of the Terminal Company, or any of its subsidiary or controlled companies, or upon any other property which the Committee may deem advisable, or any claims or demands whereby, or by reason of the possession whereof, any such property may be encumbered or the title thereto affected, or any receivers' certificates or other obligations or liabilities incurred, or which may be issued or incurred, by the receivers of the Terminal Company or of any of its subsidiary or controlled companies, and for such purpose may use, after the Plan shall have been declared operative, any cash provided by the Plan or any new stocks of the New Company provided for in the Plan and not required for delivery to Depositors. Generally the Committee may make or ratify or permit to be made or ratified contracts with any person or corporation in respect of any matter connected with the Plan and this Agreement. The Committee may employ counsel, depositaries, agents and all necessary assistants and may incur and discharge any and all expenses which it deems reasonable for the purposes of the Plan or for carrying out or attempting to carry out the same and, as well, all expenses in connection with the preparation of the Plan and this Agreement, the issue of certificates, the deposit, issue and transfer of securities, legal expenses, expenses for advertising and printing, all taxes, all expenses of or incident to the receivership proceedings of the Terminal Company and of any of its subsidiary or controlled companies, all expenses of the Depositary, all organization and other expenses of the New Company and of any other company or companies utilized in connection with the reorganization and all other expenses in any manner connected with the Plan and this Agreement or which it may deem it expedient to incur in undertaking to promote any of the purposes thereof. The Committee shall be the sole judge of the propriety or expediency of any and all expenses and of the amount thereof. The Committee may include as part of its expenses the compensation, expenses and liabilities of the aforesaid Bondholders Protective Committees acting respectively under the agreement of June 3, 1908, as amended, and the agreement of July 25, 1910. The members of the Committee shall be entitled to reasonable remuneration for their services and such compensation shall be deemed a part of the expenses of the Committee whenever referred to in the Plan or this Agreement. All moneys at any time held under the Plan and this Agreement after the Plan shall have been declared operative shall be subject to the order of the Committee, which may apply the same or cause or permit the same to be applied for any of the purposes of

the Plan as from time to time may be determined by it; its determination as to the propriety and purpose of any such application shall be final, and nothing in the Plan shall be understood as limiting or requiring the application of specific moneys to specific purposes.

The Committee may proceed under the Plan and this Agreement or any part thereof with or without judicial sale, and in case of judicial sale it may exercise any power either before or after sale. Any action contemplated in the Plan and this Agreement may be performed before or after reorganization, and any such action may be taken by the Committee or by any one approved by it at any time when it shall deem the reorganization advanced sufficiently to justify such course, and as it may deem expedient the Committee may defer or permit to be deferred the performance of any provision of the Plan or this Agreement or may commit such performance to the New Company or to such other person, persons or corporation as it shall determine, and may cause the New Company to pay any indebtedness authorized or incurred by the Committee or otherwise in furtherance of the Plan, and to assume any obligations which in its judgment may be expedient to carry out the Plan and this Agreement.

ARTICLE SEVENTH.

The Committee undertakes in good faith to endeavor to execute the Plan, but neither the Committee nor the Depositary assumes any personal responsibility for the execution thereof or for the result of any steps taken or acts done for the purposes thereof. The Committee may act by any agents, and may delegate any discretion as well as authority to any agent, and such agents may be allowed reasonable compensation for their services. Neither the Committee nor any of its members nor the Depositary shall be personally liable for any act or omission of any agent or employee selected by it or them, or any of them, nor for any action taken or not taken in good faith in the belief that any deposited security or other instrument or any signature is genuine or effective, nor for anything done or not done under the advice of counsel, nor for any error of judgment nor mistake of law or fact, nor for anything except its or their own individual willful misconduct, and neither the Committee nor any of its members nor the Depositary shall be personally liable for the acts or defaults of the other or any other person or body. The accounts of the Committee shall be filed with the board of directors of

the New Company within one year after its organization shall have been completed, unless a longer time be granted by said board. The accounts when approved by such board of directors shall be final, binding and conclusive upon all parties having any interest therein. The acceptance of new securities by any Depositor shall estop the person accepting the same from questioning the conformity of such securities in any particular with any provisions of the Plan, and the acceptance of new securities by the holders of a majority in amount of the certificates of deposit of each class shall so estop all holders of certificates of deposit of such class and shall constitute full ratification of all the acts and proceedings of the Committee and a release and discharge of the Committee and of all of its members and the Depository from all liability and accountability of every kind, character and description whatsoever to all holders of certificates of deposit of that class, except its obligation to make like deliveries against the surrender of outstanding certificates of deposit of such class the holders of which shall have theretofore in all respects complied with all the provisions of the Plan and this Agreement and who shall have made all the payments required by the Plan and this Agreement within the period or periods limited.

The Committee may at any time increase the number of its members, and may elect additional members of the Committee, and the person or persons so elected shall have all the powers of, and together with those herein named or their successor or successors, respectively, shall constitute the Committee of the Reorganization, with like force and effect as if they were specially herein named, and the Committee may likewise fill any vacancy, but need not necessarily do so, and the Committee as at any time constituted, notwithstanding any vacancy, shall have all the powers, rights, property and interests of the Committee as originally formed. Any member of the Committee may resign by giving notice of his resignation in writing to the Depository. The Committee may settle any account or transaction with any member of the Committee who shall have resigned or died or be under other disability to act, and give or receive a full release and discharge with reference thereto. The Committee may elect one of its number as chairman, may appoint a secretary who need not be a member of the Committee, may prescribe regulations for its meetings and the convening thereof, and may keep a record of its acts and proceedings. The affirmative vote of a majority of all the members of the Committee as at any time constituted shall be necessary for the passage of any resolution or vote (but at any meeting a member of the Committee may vote by proxy to another member of the Committee or to any other person), and such affirmative vote of the majority of all of the members

of the Committee shall be binding upon the Committee. It shall not be necessary for the Committee formally to meet in order to take any action provided such action be embodied in any form of writing signed by a majority of all the members of the Committee personally or by proxy duly appointed.

The members of the Committee and each of them and the Depositary and any officer or director thereof and anyone connected with the Committee or with any of its members or with the Depositary or with the New Company or with any other company mentioned or referred to herein (whether as member, incorporator, stockholder, director, officer or in any capacity), and any Depositor or any transferee of any Depositor and any partnership or corporation with which any person above mentioned may be connected in any manner may be or become pecuniarily interested, without accountability in respect thereof, in any contract, transaction, property or matter with which the Plan or this Agreement or the New Company or any other company are concerned, including the loan or advance of moneys to the Committee or to the New Company; and any such person may be or become an incorporator, stockholder, officer or director of the New Company or otherwise interested therein. Any such person or corporation may also become a Depositor under the Plan and this Agreement, and in such event shall have the same rights, benefits and obligations hereunder and in respect of all deposited securities, all property purchased, and all stock of the New Company to be received, as other Depositors, and may buy and sell certificates of deposit and undeposited bonds in the same manner and with the same rights as any one not a Depositor.

Any direction given by a writing signed by a majority of all the members of the Committee shall be full and sufficient authority for any action of the Depositary or of any other custodian or of any committee or agent. All deposited bonds and certificates and, after the Plan shall have been declared operative, all moneys paid under the Plan by Depositors, shall be held by the Depositary subject to the order and direction of the Committee. The Depositary shall incur no liability for anything done or permitted at the request or direction of the Committee.

ARTICLE EIGHTH.

The enumeration of specific powers hereby conferred shall not be construed to limit or to restrict the general powers herein conferred or intended so to be, and it is hereby distinctly declared that it is intended to confer on the Committee in all

respects any and all powers which the Committee may deem expedient in or towards carrying out or promoting in any respect the purposes of the Plan and this Agreement as now existing or as the same may be modified or amended as herein provided, even though any such power be apparently of a character not now contemplated, and the Committee may exercise any and every such power as fully and effectively as if the same were herein specified and as often as for any cause or reason it may deem expedient. The methods and means to be adopted for or towards carrying out the Plan and this Agreement shall be entirely discretionary with the Committee.

ARTICLE NINTH.

No right is conferred or created hereby nor is any trust, liability or obligation (except the agreements herein contained in favor of Depositors) created by the Plan and this Agreement or assumed hereunder, or by or for the New Company, or in favor of any bondholder, creditor or stockholder of, or of any holder of any claim whatsoever against, the Terminal Company, or any of its subsidiary or controlled companies, or in favor of any other company now existing or to be formed hereafter, or in favor of any person or corporation whatsoever, with respect to any matter or thing whatsoever, but this Agreement shall be construed as strictly an agreement between the parties and as solely affecting and relating to the Committee, Depositary and Depositors hereunder.

ARTICLE TENTH.

All calls or notices for any purpose required or permitted to be given hereunder shall be inserted in The Sun and in The New York Times, two newspapers published in the City of New York, twice in each week for two successive weeks; or in case of the discontinuance of the publication of said newspapers, or either of them, such notice may be published in such other newspaper or newspapers as the Committee shall determine in lieu of the publication thereof in the newspaper or newspapers the publication whereof has been discontinued. Any call or notice whatsoever, when so published, shall be taken and considered as though personally served on all parties hereto or entitled to the benefits hereof, and upon all parties becoming bound hereby, as of the respective dates of the first insertion thereof, and such publication shall be

the only notice required to be given under any provision of this Agreement. The Committee may, however, give such additional notice by publication in said or other newspapers or otherwise as it shall deem expedient.

This agreement shall bind the Committee and its successors in office and the Depositors, their and each of their heirs, executors, administrators, personal representatives, successors and assigns.

A printed copy of this Agreement executed by the Committee or by a majority of its members and lodged with the Depositary at its office in the City of New York, shall be held and taken to be the original Agreement. This Agreement may however be executed in any number of counterparts with the same effect as if all of the parties executing the same had executed but one instrument.

IN WITNESS WHEREOF, the undersigned Committee has caused these presents to be duly executed as of the day and year first above written, and the parties of the second part have become parties hereto in the manner herein provided.

J. N. WALLACE,
GORDON ABBOTT,
HARRY BRONNER,
JAS. C. CHAPLIN,
HALEY FISKE,
CLARENCE L. HARPER,
WM. R. NICHOLSON,
RICHARD SUTRO,
MEIGS H. WHAPLES,
ASA S. WING,
Reorganization Committee.

Lithomount
Pamphlet
Binders
Gaylord Bros. Inc.
Makers
Syracuse, N. Y.



UNIVERSITY OF ILLINOIS-URBANA



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